Enhancing Transportation Management and Harmonization of Standards

To Foster Agricultural Trade





The Novotel Mount Meru Arusha, Tanzania September 2001

Africa Growth & Opportunity Act

Objective: To provide incentives for African countries to continue their efforts to open their economies and build free markets

To change the trade relations between Africa and the U.S. by:

- reinforcing African reform efforts
- providing improved access to U.S.
 technical expertise, credit and markets
- establishing high-level dialogue on trade and investment

Africa Growth & Opportunity Act

- AGOA was signed into law on May 18, 2000
- http://www.agoa.gov

Africa Growth & Opportunity Act

Implementation: An AGOA Implementation Subcommittee of the Trade Policy Staff Committee has been established.

Major Implementation Issues:

- determination of country eligibility
- determination of products eligible for zero tariff
- •determination of compliance with conditions for
- apparel benefits
- •establishment of the U.S.-Sub-Saharan Africa Trade and Economic Forum
- provisions for technical assistance to help countries qualify for benefits

Africa Growth & Opportunity Act

<u>Upcoming Activity:</u> First U.S. - Sub-Saharan Africa Trade and Economic and Economic Coordination Forum

October 4-5, 2001; Washington, DC Announced by President Bush on May 16, 2001

Purpose: To discuss ways to further implement AGOA

In connection with this Forum the Corporate Council on Africa and AGOA Action will sponsor private sector events on October 3 & 4, 2001.

(Information is available from the Corporate Council on Africa, www.africacncl.org)

Transportation Management U.S. Training

- July 2000
- Two-week training for a team of twelve transportation specialists
- Training consisted of:
 - Meetings with U.S. transportation policy makers
 - Participation at the Transportation Research
 Board Annual Summer Conference
 - Visits to U.S. transportation facilities

Sectoral Assessment

- March 2000
- Assessment of transportation and agricultural standards in the region
- Objectives:
 - Better identify constraints that inhibit trade
 - Propose and design technical assistance
 - Identify stakeholders in the region

Harmonization of Standards U.S. Training

- August 2000
- Two-week training for a team of twelve agricultural standards specialists
- Training consisted of:
 - Meetings with U.S. inspection and standards officials
 - Visits to U.S. inspection facilities and research universities

Technical In-Country Workshops

- February & May 2001
- 30 participants from each country, representing transportation and harmonization sectors
- Training included:
 - Private-public partnerships
 - Data collection and management
 - Business association (linkages & capacity building)
 - Development and implementation of agricultural standards

"The lessons to be learnt from the workshop, however, could not be more timely, which I believe will play a big role not only in turning around our systems and procedures, but will also initiate corrective measures for making our country attractive to international investment."

--Remarks by Hon. Dr. Maua A. Daftari, Deputy Minister for Communications and Transport, February 2001, Dar Es Salaam

Policy Recommendations

- September 2001
- 40 technical and policy representatives
- Objectives:
 - Regionally identify key constraints to trade
 - I Develop and present recommendations
 - Implementation and support of reforms to facilitate regional trade

Transportation Management Recommendations

- Objective of the project:
- Help African private and public design and implement policy reforms that will make African countries attractive to international trade and development.
- Specifically, the program ATRIP, intends to assist policy reforms in the improvement of the East African regional transportation management and in developing a common set of standards.

Transportation Management-Port Performance Improvement

Improved regional port performance efficiencies in terms of:

- Improving turnaround of ships (match with best standards worldwide)
- Fast documentation flow (decrease in the verification parties leading to diminished malpractices)
- Fast cargo offtake (make goods available in time)

Transportation Management-Truck axle configuration & weigh bridges

Harmonization of truck axle configuration and elimination of inefficiencies at weigh bridges within East Africa will:

- Minimization of road damage due to compliance of standardized axle configuration
- Fast flow of traffic due to reduced weigh bridge stations
- Reduce unnecessary long queues at weigh bridge stations as a result of modernized equipment and knowledgeable workforce

Transportation Management-Customs/Transit Controls

Analyze, streamline and standardize customs/transit controls at and within the borders of East Africa

- Current efforts by EAC should be prioritized
- Further simplification and harmonization of customs procedure within the region be encouraged
- Harmonization of working hours between various departments involved in handling of goods
- Urgently finalize negotiations for single region transit bond

Transportation Management-Railway Issues

Address the variety of railway issues causing inadequacies for shippers in East Africa, and by taking actions like...

- Reinvestment in rolling stock and track
- Introduce modern in-motion weigh bridges
- Improve maintenance of rolling stock and rails
- Introduction of an effective regulated axleload standards
- ...will improve service quality delivery and reduce transportation costs.

Transportation Management-Data and Information

Encourage information/data collection and dissemination within the transportation sector in East Africa, thus encourage the creation of a transportation database focusing on private and public sectors.

Transportation Management-Financial Resources

- Governments (Tanzania/Uganda/Kenya)
- Investors (Private Sector Involvement)
- Strategic Partners
- Donor Community
- Insurance Fund

Transportation Management-Road and Rail Safety

Address road and rail safety and quality issues within East Africa.

Lives and property will be saved

- Need for harmonization and enforcement of regulations governing transportation of dangerous goods
- Harmonization of the third party insurance scheme (yellow card) within the region, relation of settlement claims
- Improve overall safety standards for road and railways

Harmonization of Standards - Recommendations

- Accreditation
- Capacity Building
- Awareness
- Private-Public Partnership
- Review/Update laws

Harmonization of Standards: Accreditation

- Need for uniformity (certification, inspection, metrology, registration)
- Accreditation approves competence of bodies
- Recommendations:
 - Formation of East Africa Accreditation body
 - Formation of National Accreditation bodies
 - Regional accreditation body to settle disputes

Harmonization of Standards: Awareness

- Inadequate awareness on regional harmonized standards, SPS measures, technical regulations, trade protocols, and market requirements
- Recommendation:
 - I There is a need to intensify the awareness

Harmonization of Standards: Capacity Building

- Capacity building is needed for conformity assessment
- Needed in the following areas:
 - Provision of equipment/infrastructure
 - I Training of manpower
 - Strengthening data generation
 - Establishment of regional inquiry point
 - Strengthening management and coordination of information

Harmonization of Standards: Private/Public Partnership

- Traditionally public sector controlled all aspects of trade
- Currently private sector expected to take lead
- Recommendations:
 - Establish and/or strengthen private/public partnership
 - Establish and strengthen channels of communication
 - Involve private sector in the development and Implementation of standards
 - Form private sector associations
 - Involve private sector in trade negotiations:

Harmonization of Standards: Review/Update Laws

- Inadequate laws and regulations
- Recommendations:
 - Expedite the process of reviewing laws and regulations
 - Prompt notifications of laws and technical regulations
 - Enforcement of laws
 - Pre-shipment inspection and certification by designated national authorities

Harmonization of Standards: Benefits

- **■** Enhanced trade
- Monitoring and management of pests and diseases
- Consumer confidence
- Flow of Information
- Possible sources of funding:

Governments of East Africa countries, private sector, USDA, USAID, UNDP, FAO, DFID, JICA, EU